

## **CONTRACT FOR PROFESSIONAL SERVICES**

The parties to this contract are Thomas Smith (hereinafter the Client) and Kathryn E. Denner, Attorney at Law (hereinafter the Attorney). The undersigned Client and Attorney agree to the following:

### **AGREEMENT TO REPRESENT**

1. The Client may have one or more legal claims in connection with the termination of his employment with American Standard Brands (hereinafter the Defendant.)
2. The Attorney agrees to research the Client's potential claims, advise the Client about such claims and, if both parties deem it appropriate, represent the Client in such claims against Defendant before the appropriate administrative agencies and/or in the trial court.
3. The Client agrees to follow all instructions given by the Attorney in connection with the litigation, and to read all documents given to him by the Attorney and to comply with all court deadlines.

### **OUT-OF-POCKET EXPENSES**

4. The Client is responsible for any out-of-pocket expenses, such as filing fees, the cost of depositions, computer research, copying costs, long distance telephone charges, travel expenses and the like. The Client agrees to pay these expenses regardless of the outcome of the Client's claim and in addition to any attorneys' fees which may be owed as described in paragraphs 8-13.

5. The Client agrees to tender the amount of \$500.00 as a deposit toward such out-of-pocket expenses at the time a lawsuit is filed. The Attorney will place this deposit in a trust account maintained for the purpose of paying expenses. The Client agrees to pay expenses in due course as billed and to maintain in the trust account a minimum balance in the amount provided for above. Interest will be charged on unpaid out-of-pocket expenses at the rate of 0.5% per month.

Any unexpended funds in the trust account will be refunded to the Client at the conclusion of the litigation.

6. The Attorney will attempt to recover out-of-pocket expenses from the Defendant, and will reimburse the Client to the extent the Client has already paid any expenses recovered.

### **RETAINER**

7. The Client will not pay a retainer against attorneys' fees.

## ATTORNEYS' FEES

8. The Client does not have the financial resources to pay for services at the Attorney's regular hourly rate (currently \$325/hour) as those services are provided.

9. In the event the Client elects to accept a settlement offer which is not recommended by the Attorney, or rejects a settlement offer which is recommended by the Attorney, the Client shall pay the Attorney for all hours invested by the Attorney in the case at the hourly rate then in effect.

10. Should the case fail, be rendered valueless, or collapse on account of a material misrepresentation or omission by Client, the Client shall pay the Attorney for all hours invested by the Attorney in the case at the hourly rate then in effect.

11. In any other circumstances in which the Client does not recover money, the Client will not owe any attorneys' fees.

12. In any other circumstance in which the Client recovers money from an Administrative Agency, the Court or the Defendant, through settlement or trial, the Client shall be responsible for attorneys' fees equal to the greater of either:

(a) a percentage of the net recovery as follows:

33-1/3% of the net recovery if the case is resolved before any Motion for Summary Judgment is filed by the Defendant or, if Defendant does not file a Motion for Summary Judgment, before the beginning of trial;

40% of the net recovery if the case is resolved after the Defendant files a Motion for Summary Judgment or, if Defendant does not file a Motion for Summary Judgment, upon the beginning of trial;

- or -

(b) any amount designated by the Administrative Agency, the Court or the Defendant as fees for legal services.

Accordingly, if a separate award of legal fees is made, and if the amount of that award exceeds the applicable percentage of the net recovery as set forth in subparagraph (a), then the Client will not owe the Attorney any additional attorneys' fees. Otherwise the Client will pay the Attorney the difference between the amount awarded as legal fees, if any, and the applicable percentage of the net recovery as set forth in subparagraph (a).

Net recovery means the total amount received through settlement or trial (including any amount designated by the Administrative Agency, the Court or the Defendant as attorneys' fees) minus the amount of out-of-pocket expenses incurred.

### WITHDRAWAL OF ATTORNEY

13. The Client agrees that if at any time the Attorney deems it unlikely that continuing the litigation will result in a meaningful recovery, the Attorney may withdraw from the matter and the Client will not owe any additional attorneys' fees, except as set forth in paragraphs 9 and 10 above.

### RETENTION OF CLIENT FILE

14. The Client agrees that, after five years from the final conclusion of the Client's matter including any appeals, the Attorney may destroy the file generated in connection with the matter unless notified in writing by the Client to retain the file for a longer period of time.

### SETTLEMENT DISCUSSIONS

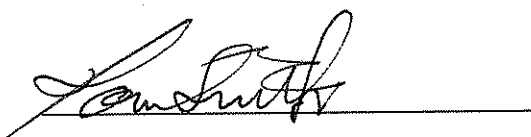
15. The Client agrees that the Attorney may decline to engage in settlement discussions unless the other parties to the litigation agree in advance of such discussions that all aspects of the discussions, including demands, are privileged communications and will not be used in any way throughout the course of any litigation relating to any aspect of the Client's claims.

16. Any settlement offer tendered will be promptly communicated to the Client for consideration.

### WORK BY OTHER ATTORNEYS

17. The parties understand that attorneys other than Kathryn E. Denner may work on this matter.

THOMAS SMITH



Dated: 4-26-2012

KATHRYN E. DENNER, Attorney at Law



Dated: 4/26/12